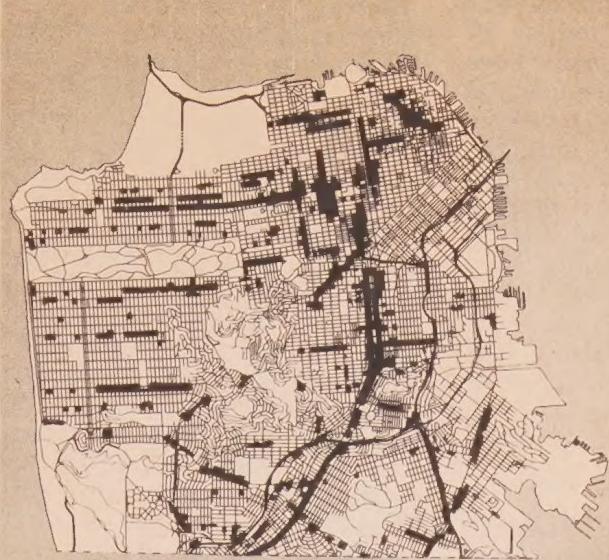


■ NEIGHBORHOOD ■ COMMERCIAL ■

 ■ COMMERCIAL ■

Report on NEIGHBORHOOD COMMERCIAL REZONING

Dear Fellow San Franciscan:

This newsletter provides notice of a proposal to rezone the neighborhood commercial areas of the city. The proposal is very important to the long run stability and vitality of neighborhood areas and of the city as a whole. We ask that you give it your careful consideration.

Dean L. Macris, Director
Department of City Planning



Institute of Government Studies
University of California, Berkeley
1209 Moses Hall
Berkeley, CA 94720

City and County of
San Francisco
Department of City Planning
450 McAllister Street
San Francisco, CA 94102

- **THIS IS THE ONLY MAILED NOTICE TO PROPERTY OWNERS THAT WILL BE SENT** advising of the actions described in this notice regarding the proposed Neighborhood Commercial Rezoning controls.
- You may receive one of these notices even though your property is not affected by the proposed Neighborhood Commercial Rezoning. The proposed zoning changes primarily apply only to neighborhood commercial properties; however, the Department is required by law to notify by mail the owners of all properties within a radius of 300 feet of each Neighborhood Commercial District. The computerized mailing list used for this public notice includes a number of properties which fall just outside these legally prescribed boundaries. If your property is among this number, you are not legally affected by the proposed zoning. If you are not a property owner, you may receive this notice because you are on a Department of City Planning mailing list.

- If you are the owner and/or operator of an existing business in a Neighborhood Commercial District, have all appropriate permits for your business, and are not planning any changes or expansions to your business, your business will probably not be directly affected by the proposed controls. The proposed controls primarily apply to new businesses or existing businesses planning a major change in use, expansion, or relocation.
- If you have any questions, please call the Department of City Planning at 558-2103 between the hours of 10 a.m. - 12 p.m. and 2 p.m. - 4 p.m. Keep in mind that staff is limited and may not be able to respond immediately to questions that may come from over 75,000 property owners, business people, and residents. If we cannot respond to your questions on the day you call, please give the receptionist your name, phone number, and the general nature of your question, including the specific property address (if applicable). We will return your call as soon as possible. Thank you for your cooperation.

NOTICE OF CITY PLANNING COMMISSION PUBLIC HEARING ON PROPOSED PERMANENT ADOPTION OF NEIGHBORHOOD COMMERCIAL ZONING MAP AND TEXT AMENDMENTS TO THE CITY PLANNING CODE AND MASTER PLAN AMENDMENTS

This notice is to inform affected property owners in San Francisco and the general public that the Department of City Planning has prepared a proposal for permanent adoption of the *Neighborhood Commercial Rezoning*. The proposal for permanent adoption will succeed the neighborhood commercial rezoning approved on an interim basis on March 28, 1985 and currently in effect. The proposed permanent controls are similar in most respects to the current interim controls. They replace the old C-1, C-2, RC, and C-M zoning districts, with a more comprehensive, yet individualized set of controls that are designed to give neighborhoods a more adequate means for protecting the neighborhood character, environmental quality, and economic vitality of their commercial areas. Moreover, based on the City's and the neighborhoods' experience with the interim controls since March 1985, the permanent controls include some zoning map and text amendment changes to further strengthen the ability of neighborhoods to meet these goals. A summary of the proposed controls for permanent adoption is included in this notice.

The entire package of proposed neighborhood commercial rezoning for permanent adoption includes: a more detailed official publication containing the proposed controls; the appropriate environmental evaluation documents that assess the potential impact of the proposed controls on the environment of the neighborhoods and the city; and an Economic Impact Assessment that evaluates the potential impact of the proposed controls on the economic vitality of neighborhood commercial areas and the

economy of the city as a whole. The purpose of these documents is to provide adequate information for understanding the proposed neighborhood commercial rezoning and the implications which it poses for the neighborhoods and the city. Due to the size of these documents and mailing costs, copies will not be mailed to persons or organizations in San Francisco. They are available for review at the Department of City Planning, the Main Public Library and at all branches, as listed elsewhere in this notice. A limited number are available for sale at the cost of reproduction at the Department of City Planning, Room 405, 450 McAllister Street, San Francisco.

Public hearings on the proposal will be held beginning on January 29, 1987, at 2:00 p.m. in the Board of Supervisors Chambers at City Hall. If you cannot attend this hearing you will have additional opportunities at later dates.

The proposal will be considered in a two-phase process. The phase-one proposal will have a "sunset clause", which means that its controls will expire on a date certain by which time the phase-two process has been completed and put into effect. This first phase is evaluated in a Negative Declaration which is described further in the "Environmental Review" and "Hearing Procedures-CEQA" sections of this notice. The phase-two controls will not have a "sunset clause" and will therefore be permanent. An EIR will be prepared for this phase as described in the "Environmental Review" and "Hearing Procedures" sections of this notice.

The Department will seek enactment of the phase-one controls which have the "sunset

clause" by April 1987, in order to provide continuity with the interim controls which will expire on March 28, 1987.

The hearings on the phase-two permanent controls (without the "sunset clause") will be continued through May 1987, while the EIR public review process is completed.

After action by the City Planning Commission, the controls will be referred to the Board of Supervisors for additional hearings and action. Ordinances adopted by the Board are referred to the Mayor for signature and become effective 30 days after signing.

The sending of this notice to affected property owners is required by law. The Planning Code defines an affected property as any property located within the boundaries of a proposed neighborhood commercial district or within 300 feet of such property. In other words, if your property is anywhere within a 300 foot radius of the boundaries of a proposed neighborhood commercial district, you are considered by the City Planning Code to be an affected property owner. However, the proposal will not change zoning controls for housing outside commercial districts. The map in the centerpiece of this publication gives the boundaries of the proposed neighborhood commercial districts, by which you can determine where your property is located in relation to these boundaries. If you are not an affected property owner, you are receiving this notice because you have expressed interest in the proposal as an individual or as a representative of a group or organization.

If you are interested in this matter, you are welcome at the public hearings, but your

attendance is not mandatory. All persons wishing to speak at the public hearings will be heard, but in order to assure all have an opportunity to speak, a three-minute time limit for individuals and a six-minute time limit for organizations will be imposed. Statements in writing by individuals or organizations will be considered as well as oral testimony.

Robert W. Passmore
Zoning Administrator

Environmental Review

Potential environmental effects of the set of permanent controls containing the sunset clause are evaluated in a Preliminary Negative Declaration (a determination that the project could have no significant environmental impacts), Case File No. 86.615 ETZM, published on December 19, 1986.

An Environmental Impact Report (EIR), Case File No. 86.616 ETZM, is being prepared for the set of permanent controls that do not include a sunset clause. A Draft EIR will be published and available for public review by December 19, 1986.

Copies of the Preliminary Negative Declaration and Draft EIR may be obtained on the date of publication from the Department of City Planning, 450 McAllister Street, 4th Floor. Further details regarding public hearing procedures for these two documents are described in the "Hearing Procedures-CEQA" section of this notice.

Barbara W. Sahn
Environmental Review Officer

Introduction: San Francisco's Neighborhood Commercial Districts

In 1985 total retail sales in San Francisco approximated \$4.8 billion. At least \$3 billion of these sales occurred in the 210 neighborhood commercial districts scattered throughout all parts of the city outside Downtown. They provide the basic goods and services needed on a day-to-day basis by residents and people who work in the city. Yet within this broad economic function there is a great deal of variation. Each neighborhood commercial district is located within or close to a residential area. Each one tends to take on the character of its surrounding residential area. The uniqueness of San Francisco's neighborhood commercial districts is as rich and diverse as that among its residential neighborhoods.

Because of their historic dense mixed-use character, San Francisco neighborhoods

have always been required to achieve a delicate balance between commercial and residential activity. On the one hand, they need sufficient economic viability to meet the basic shopping needs of the surrounding residents. Oftentimes this means they must also cater to a larger citywide market. At the same time they have to provide an environment that is conducive to residential living, an environment that is attractive and secure for residents, many of whom consist of families with children.

The past decade has seen a significant increase in restaurants, bars, specialty retail stores in the districts, as well as offices and financial institutions, and a significant decrease in the number of 'mom & pop' restaurants, grocery stores, and

other shops that provide essential economic services to residents. In some cases, this growth has occurred at the expense of existing housing, as property owners have converted dwelling units into commercial space to accommodate the new economic growth. It has also adversely impacted surrounding residential areas through such problems as traffic congestion, parking shortage, noise, littering, and other nuisances. In the face of this change, there is concern among local residents and merchants alike that their neighborhoods are losing the residential character that helped to shape their commercial areas as well as the commercial activities that form the base of their neighborhood economies.

Changes occurring today are somewhat different from those that have occurred in

the past. Current changes are largely the function of nationwide trends in the merchandising industry which tend to favor large-scale and franchise outlets over the small-scale independently-owned commercial shops. Nonetheless, spending patterns in certain San Francisco retail districts tend to counter this nationwide trend by showing strong preference for small neighborhood-oriented commercial activity. There is strong demand in San Francisco for the type of small-scale retail shops in the mixed-use environment that has always characterized the city neighborhoods. The proposed neighborhood commercial rezoning seeks to provide a tool for the city and the neighborhoods to maintain the delicate balance between traditional commercial and residential functions in the face of larger and more complex economic changes.

City Planning and San Francisco

City Planning is especially important for San Francisco. In many ways, San Francisco is fortunate by having a uniquely attractive and diverse natural environment and climate that provides an advantageous locale for the development of a city. Yet in terms of man-made activities, San Francisco has an extremely difficult task. San Francisco has an importance beyond the relatively small size of its geographical area and resident population. As the urban core of the Bay Area, one of the largest metropolitan regions of the country, and by virtue of its role in national and international finance, commerce, trade, and cultural affairs, it has to accommodate on a daily basis an immensely varied, dynamic, and broad array of activities on a limited amount of space. How to accommodate these activities and still make the city function properly, in an environment that is attractive and livable for its residents places a tremendous burden, responsibility and complexity on City government and its citizens.

The two primary tools the City uses to guide land use and development are the Master Plan and the City Planning Code. The City Planning Code in San Francisco is a portion of the San Francisco Municipal Code. It consists of two parts: the written ordinances containing zoning and other regulations affecting property in San Francisco and the series of map sheets known as the Zoning Map. Zoning is the primary instrument for implementing the policy goals and objectives of the Master Plan. What zoning does is regulate the use of land in the city. It divides the city into districts and provides regulations appropriate to each district. Which uses

are allowed in a district, in what amounts, are matters within the province of zoning, as are building size, required open space, and off-street parking. Zoning determines how land in the city is organized and used, not just in one district, but in all the districts and how they interact with one another to weave the overall fabric of life in the city.

The 1921 Code

The first city planning code for San Francisco, enacted in 1921, was a simple ordinance. It concentrated almost exclusively on separating residential uses from the two other main categories of land use: industrial and commercial. Although a city planning code was enacted, no city planning staff was allocated to implement the code. Most of the work was done by the Department of Public Works, more or less as an appendage of its regular work related to structural conditions of buildings and streets. The City Planning Commission had existed since 1917, but no staff was hired until 1941.

The Master Plan

The basic framework for city planning today is the Master Plan. This document provides the overall policy and legal rationale for the zoning ordinance by which physical development and the use of land is regulated. The first Master Plan for San Francisco was adopted in 1945. While it was general and not as detailed as today's Master Plan, it provided a basis for revising the original 1921 zoning ordinance.

The 1960 Code

The first drafts of a revised City Planning Code were presented to the public in 1948. It then took more than 12 years of public hearings, spanning several city administrations and involving many changes and

compromises before the ordinance was adopted and made effective in May 1960. New charter provisions also established the office of the Zoning Administrator to enforce the regulation of the ordinance.

The 1960 City Planning Code was a vast improvement over its 1921 predecessor. It established many regulations concerning such things as building types, the ratio of floor area to lot area, and non-conforming uses that are still with us today. However, most of its controls were new and untested. More importantly, these controls did not fully anticipate the major growth pressures that would occur in San Francisco and the impacts these pressures would have on the livability of the city.

The 1978 Residential Rezoning

By the 1970's, the inadequacies of the 1960 code were well recognized. The City Planning Commission and the Planning Director at that time faced up to a need to revise all sections of the code, particularly as they applied to residential zoning. The minutes of the August 2, 1973, Commission meeting record this awareness. They record the determination of the City Planning Commission to put aside earlier piecemeal approaches to residential zoning. At that meeting, the Commission concurred with the Director of Planning that the Department should embark on nothing less than a comprehensive remapping of all the residential areas of the city and thoroughly think through all sections of the code which addressed residential matters. This determination led to a four-year study effort resulting in the Residential Rezoning Ordinance which was approved in 1978 and which still stands today. The primary accomplishment of this ordinance was to rezone to the dominant

types of residential uses existing in the neighborhoods and to reduce the building envelope to a scale more compatible with that of adjacent residential properties.

Since that time, a similar kind of comprehensive rethinking has turned to other sections of the code and the city, namely, the downtown area and the neighborhood commercial areas.

The Downtown Plan and Other Current Studies

After completing the 1978 Residential Rezoning Revision, the Department directed its primary work effort toward the core of the city: downtown and the areas immediately surrounding it, including North of Market, Rincon Hill, Chinatown, South of Market, and Van Ness Avenue. After several years of study, the Downtown Plan, the North of Market Plan, and the Rincon Hill Plan, were completed and adopted in 1985. The Chinatown Plan was approved on an interim basis in July 1986. The South of Market Plan was approved on an interim basis in October 1986. The Van Ness Avenue Plan is scheduled for completion in 1987. These studies are closely linked as part of an overall strategy to effectively plan land use and growth activities in the core of the city on a coordinated basis.

Essentially what this strategy involves is creation of a more compact and clearly organized downtown area that does not encroach upon the immediately surrounding areas. Consistent with the approach taken in the Downtown Plan, the plans for the areas surrounding downtown place an emphasis on conserving existing housing resources, encouraging new housing growth, and encouraging less intensive non-residential growth.

The Neighborhood Commercial Rezoning Study

Initial Studies

The neighborhood commercial rezoning proposal is the latest step in the effort that has been going on since 1973. Concerns about land use changes taking place in neighborhood commercial areas were initially expressed to City Planning staff in the mid-seventies during the course of community meetings on the 1978 residential rezoning. Later these concerns became more pronounced in the Union Street commercial district. Since the 1960's Union Street had undergone major transformation from a local neighborhood retail and service area to a specialty shopping center, with a highly active concentration of eating and drinking and places catering to a citywide and regional clientele. Neighborhood merchants and residents brought their concerns to the Board of Supervisors to seek a moratorium on those uses considered to have a detrimental effect on the quality of life in their neighborhood. The Board in turn enacted a temporary moratorium on permit approvals for bars, restaurants, take-out foods, and branch banks on Union Street. It also called for a zoning study that was undertaken by the Department of City Planning.

Union Street was the forerunner of a trend of commercial growth and intensification that was spreading to a number of neighborhood areas in the city. After enactment of the Union Street moratorium,

merchants and residents from a number of other districts approached the City for similar controls in their areas. This led the Department to undertake a more comprehensive study that analyzed issues of commercial growth and recommended interim special use districts for nine other areas, including: Sacramento Street, Upper Fillmore, Haight Street, Upper Market West, Upper Market East, 24th Street-Noe Valley, 24th Street-Mission, and Valencia Street.

Subsequent studies by the Department have involved thorough investigations into the land use issues underlying the concerns expressed by district merchants and residents from all these districts as well as many others. They also have involved detailed examination of the feasibility of carrying out comprehensive rezoning for the neighborhood commercial districts of the city. The March 1982 study, *Proposed Zoning Framework*, outlines the Department's initial recommendations for a comprehensive neighborhood commercial zoning system. It examines in considerable detail all the various zoning categories, controls, measures, and procedures that would be needed to establish such a system. A follow-up study, the *Proposed Article of the Planning Code for Neighborhood Commercial Districts*, published in January 1983, provides a first draft of the proposed code revisions for neighborhood commercial districts.

After developing this comprehensive zoning framework, the Department then tested its feasibility in one district: the 24th Street-Noe Valley neighborhood commercial area. It also utilized the services of a consultant, Recht Hausrath & Associates, to develop a methodology for assessing potential economic impacts under the proposed rezoning.

Interim Controls

Based on the extensive background studies cited above, a detailed draft of the proposed rezoning for citizen review was prepared in May 1984. During the summer and fall of 1984, this draft was discussed extensively in a series of meetings involving the small business community, local residents, and property owners, and industry representatives. As a result of these meetings, a proposal for adoption was prepared in February 1985. This proposal provided the basis for the interim controls currently in effect.

The interim controls were approved for a one-year period starting March 28, 1985. They were later ratified and extended for two additional six-month periods that will expire on March 28, 1987. Since the adoption of the interim controls the Department has monitored their implementation and, through further meetings with business and community representatives, has continued to carry out adjustments and refinements.

Final Refinements

Since the City Planning Code does not permit extension of interim controls beyond a two-year period, approval of the proposal for permanent adoption will be a two-phase process. In effect, there will be a phase-one and a phase-two proposal for permanent adoption. The phase-one proposal will have a 'sunset clause' which means that it will expire after approval of the permanent controls. The Department will seek enactment of this proposal by April 1987 so as to provide continuity with the interim controls which are expiring.

The phase-two process of adopting the permanent controls without the sunset clause will take longer because of legally prescribed time periods for the public review of the environmental impact analysis. In addition, enough time is needed for all interested parties to fully review and comment on the proposal and its supporting documents. Based on this review and commentary, appropriate modifications will be made to the proposal. Action by the Planning Commission is expected by June, with Board of Supervisors' consideration commencing thereafter. The Environmental Impact Report and the Economic Impact Report prepared by the Department will assist the public and the decision makers in this final refinement process.

For Further Information

If you have any questions regarding the new controls, please call the Department of City Planning at 558-2103 between the hours of 10 a.m. - 12 p.m. and 2 p.m. - 4 p.m. Keep in mind that staff is limited and may not be able to respond immediately to questions that may come from over 75,000 property owners, business people, and residents. If we cannot respond to your questions on the day you call, please give the receptionist your name, phone number, and the general nature of your question, including the specific property address (if applicable). We will return your call as soon as possible. Thank you for your cooperation.

For questions regarding existing zoning or individual property classifications, please call Zoning Information at 558-3055 between the hours of 8:30 a.m. - 12:30 p.m. and 1:30 p.m. - 5 p.m.

For questions regarding the Environmental Impact Report or Negative Declaration, please call Paul Deutsch at 558-5261.

For questions regarding public hearing dates, call the City Planning Commission Secretary at 558-4656.

Proposed Neighborhood Commercial Zoning Map and Text Amendments



District Descriptions

NC-1-Neighborhood Commercial Cluster Districts
NC-1 zoning is proposed for the least intensive neighborhood commercial areas of the city. Generally these areas consist of one or two block districts or small clusters of three or more commercial establishments grouped around a corner. The proposed zoning is designed to maintain their function as local neighborhood shopping areas, providing convenience retail goods and services for the immediately surrounding neighborhoods primarily during day time hours. Commercial uses, such as automobile repair shops and gas stations, that could negatively impact residential livability are prohibited. New commercial growth is directed to the ground story and housing is encouraged at the second story and above.

NC-2-Small Scale Neighborhood Commercial Districts
NC-2 zoning is proposed for the City's small-scale neighborhood commercial areas. Generally these areas consist of linear shopping streets which provide convenience goods and services to the surrounding neighborhoods as well as limited comparison shopping goods for a wider market. The proposed zoning is designed to maintain the small scale commercial functions of these areas. Most new commercial development is permitted at the ground and second stories. Eating and drinking, entertainment, and financial service uses, however, are confined to the ground story. Limits on late-night activity, drive-up facilities, and automobile-related use promote compatibility with surrounding residential uses.

NC-3-Moderate-Scale Neighborhood Commercial Districts
NC-3 is proposed as the general zoning district for the larger neighborhood commercial areas of the city. These areas consist of intensely developed linear commercial strips located along heavily-trafficked thoroughfares. Many also serve large citywide markets in addition to the immediately surrounding residential neighborhoods. The proposed zoning encourages a diversified commercial environment for these areas. A wide variety of uses are permitted, but eating and drinking, entertainment, financial service, and auto-related uses are generally confined to the first and second stories.

NC-S-Neighborhood Commercial Shopping Center Districts
NC-S is proposed as the general zoning district for small shopping centers and supermarket sites in the city. These areas generally contain at least one anchor store or supermarket amid a variety of small shops which provide retail goods and services for car-oriented shoppers from the immediate and nearby neighborhoods. The proposed controls are designed to maintain this orientation. Building controls allow for medium-sized commercial uses in low-scale buildings. Most neighborhood-serving retail business are permitted at the first and second stories, but limitations apply to fast food restaurants, take-out food uses, and some auto uses.

Broadway Neighborhood Commercial District
The Broadway neighborhood commercial district is located in the northeast section of the city. It extends along Broadway from west of Columbus Avenue to slightly east of Osgood Place. Broadway is primarily known as a citywide and regional entertainment district with a dense concentration of night clubs, music halls, adult theaters, bars, and restaurants. It also has retail uses, upper story residential units, and more recently, an increasing number of upper story offices. The proposed controls are designed to encourage development that is compatible with the existing moderate building scale and that maintains the existing use mix of entertainment places, restaurants, small scale retail stores and upper story housing. Most commercial uses are permitted in new buildings at the first two stories, with neighborhood-serving businesses strongly encouraged. Most automobile and drive-up uses are prohibited to prevent further traffic congestion stemming from the high traffic volume on Broadway.

Castro Street Neighborhood Commercial District
The Castro Street district is located close to the geographic center of San Francisco between the Mission District, Twin Peaks, and Upper Market Street. It is a multi-purpose district that contains convenience retail outlets serving the immediately surrounding neighborhood, as well as comparison shopping outlets, bars, and restaurants that serve a wider trade area. The proposed controls are designed to maintain the present mix of uses at the existing physical scale of the area. Additional eating and drinking establishments are prohibited in order to maintain neighborhood serving retail uses and protect adjacent residential livability.

Inner Clement Street Neighborhood Commercial District
The Inner Clement Street district is located on Clement Street between Arguello Boulevard and Funston Avenue in the northwest section of San Francisco. As a multi-purpose district with a vibrant pedestrian character, Inner Clement provides a wide variety of convenience goods and services for residents of the Inner Richmond neighborhood and has one of the greatest concentrations of restaurants of any commercial street in San Francisco. In addition, it has a number of offices and financial institutions. The proposed controls are designed to promote development that is consistent with the district's existing pedestrian orientation and land use pattern. Additional eating and drinking establishments and financial services are prohibited in order to prevent over-saturation of these uses at the expense of viable neighborhood-serving commercial activity. Housing is encouraged above the ground story.

Outer Clement Street Neighborhood Commercial District
The Outer Clement Street district is located on Clement Street between 19th Avenue and 27th Avenue in the western portion of the Richmond District. Historically the shopping area has consisted of small-scale low-intensity retail establishments serving the immediate neighborhoods. More recently there has been a large increase in the number of restaurants which serve a neighborhood and citywide clientele during evening hours. The proposed controls are designed to strengthen the small-scale, low intensity, neighborhood serving functions of the shopping area. Building standards restrict large-scale development and protect rear yards at all levels. Additional eating and drinking establishments are prohibited to protect existing neighborhood-serving businesses, limit problems of traffic congestion, noise, and late night activity, and promote compatibility with surrounding residential uses and neighborhoods.

Legend

- NC-1 Neighborhood Commercial Cluster District
- NC-2 Small-Scale Neighborhood Commercial District
- NC-3 Moderate-Scale Neighborhood Commercial District
- NC-S Neighborhood Commercial Shopping Center District
- NCD Individual Neighborhood Commercial District
- C-2 Community Business District
- C-M Heavy Commercial District
- RC Residential-Commercial District
- RH Residential-House District
- RM Residential-Mixed District
- P Public District

The Proposed Controls

The primary goal of the proposed neighborhood commercial rezoning is to achieve balanced growth for the neighborhood commercial districts of San Francisco - balance between different types of commercial uses, balance between residential and commercial uses, and balance between the neighborhood commercial districts and their surrounding neighborhoods. The primary innovation offered by the proposal is establishment of a single comprehensive zoning system for the approximately 210 neighborhood commercial areas in the city that fully recognizes the diversity that exists among these areas.

Current System

The neighborhood commercial districts consist of most commercial areas outside the Downtown area that are located among the residential neighborhoods of the city. They range from small groupings of 3 or 4 stores clustered around an intersection, to 3 and 4 block commercial strips to large diverse areas, such as North Beach. Existing zoning for these areas falls under a disparate assortment of classifications. Most fall under the C-1 (Neighborhood Shopping Districts) and the C-2 (Community Business Districts) zonings. Others fall under the RC (Residential Commercial Combined) zonings or the C-M (Heavy Commercial) zoning. By and large, the controls under these existing zonings are inadequate for maintaining the delicate balance between diverse land use activities that historically have existed in most neighborhood commercial districts. In recent years, commercial growth in various district has tipped this balance away from neighborhood-serving commercial uses and housing and more toward commercial uses that cater to a market beyond the immediate neighborhood or that have adverse impacts on adjacent residential livability.

Under the existing controls, many neighborhood commercial districts theoretically could become totally commercial in use and completely lose the mixed-use character which they have always shared. For example, the existing C-1 and C-2 zonings, under which most neighborhood commercial districts fall, permit a wide range of commercial uses at all floor levels as of right.

Proposed System

Under the proposed neighborhood commercial rezoning, this kind of full build-out of commercial activity is not

possible. The proposed rezoning establishes a zoning system for the neighborhood commercial districts that gives thorough attention to the fine-grained mixture of uses which exist in these areas and provides a means of accommodating both commercial and residential growth in a more balanced and evolutionary manner.

It also provides a wider range of controls for dealing with the complexities of physical development and land use activity in neighborhood commercial areas. Some of these controls cover the same zoning categories as the existing zoning. Others are new. When the proposed controls cover the same zoning categories as the existing controls, they do so on a more individualized district-by-district basis so as to be more compatible with the particular characteristics of a given district. Reduced height limits are imposed in certain districts to assure that the scale of future development conforms to what already exists in these districts.

Greater attention is also given to the types of use permitted by floor, with limitations placed on converting existing upper-story residential space to commercial uses. The new controls provided by the proposed rezoning cover such things as lot size, use size, hours of commercial operation, etc., all of which are designed to reduce the scale and intensity of new commercial growth without necessarily discouraging growth itself. Their intent is to achieve greater compatibility between neighborhood commercial districts and their surrounding residential areas.

The proposed controls also have new provisions relating to the size, number, and locations of business signs and billboards.

The controls provide for the continuation of legally established businesses which would not conform to the new controls. Such uses, called nonconforming uses, are permitted to continue in their current form, without further City authorization. Procedures for modifications, expansions, or relocation of such uses are included in the proposal controls.

What follows below are highlights of the neighborhood commercial rezoning proposal, including the Master Plan policies, the framework for implementing the zoning system, and a description of each of the proposed neighborhood commercial use districts.

Master Plan Policies

In conjunction with development of the proposed neighborhood commercial zoning controls, each element of the Master Plan was carefully reviewed and, if appropriate, updated, revised, or expanded to provide a relevant set of overall policy goals and objectives for the rezoning. The Master Plan objective most relevant to the neighborhood commercial areas of the city is Objective 8 of The Commerce and Industry Element which states, "maintain and strengthen viable neighborhood commercial areas easily accessible to residents." This objective has been thoroughly revised and proposed rezoning would have 9 policies as compared to the 5 which it currently contains. The proposed revisions cover new areas relating to urban design, historic and architectural preservation, and traffic and parking. They also provide specific guidelines for these new areas as well as for land use and residential conversions and demolition to assist the Planning Commission in its review of permit applications. The proposed Master Plan policies which establish the basis for the proposed rezoning are:

- Ensure and encourage the retention and provision of neighborhood-serving goods and services in the city's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.
- Preserve and promote the mixed commercial-residential character in neighborhood commercial districts. Strike a balance between the preservation of existing affordable housing and needed expansion of commercial activity.
- Encourage the location of neighborhood shopping areas throughout the city so that essential retail goods and services are accessible to all residents.
- Discourage the creation of major new commercial areas except in conjunction with new supportive residential development and transportation capacity.
- Adopt specific zoning districts which conform to a generalized neighborhood commercial land use plan.
- Promote high quality urban design on commercial streets.

- Preserve historically or architecturally important buildings or groups of buildings in neighborhood commercial districts.
- Regulate uses so that traffic impacts and parking problems are minimized.
- Promote neighborhood commercial revitalization, including community-based and other economic development efforts where feasible.

Zoning Framework

To implement the above policies, a new article is proposed for the City Planning Code: Article 7—Neighborhood Commercial Districts. This article would establish the proposed neighborhood commercial zoning system. It sets forth the following general neighborhood commercial districts to cover most of the approximately 210 neighborhood commercial areas in the city:

- | | |
|--|-------------------|
| NC-1 Neighborhood Commercial Cluster District | North Beach |
| NC-2 Small-Scale Neighborhood Commercial District | Polk Street |
| NC-3 Moderate-Scale Neighborhood Commercial District | Sacramento Street |
| NC-5 Neighborhood Shopping Center District | Union Street |

It also sets forth individual neighborhood commercial districts to cover 16 of the more intensely active commercial areas in the city:

- | | |
|-----------------------|---------------------|
| Broadway | North Beach |
| Castro Street | Polk Street |
| Inner Clement Street | Sacramento Street |
| Outer Clement Street | Union Street |
| Upper Fillmore Street | Valencia Street |
| Haight Street | 24th St.-Mission |
| Hayes-Gough | 24th St.-Noe Valley |
| Upper Market Street | West Portal Avenue |

A full range of controls is established to meet conditions unique to each of these districts. The controls for each district would be applicable to all property and uses in the district. Within the text of Article 7, a description and purpose statement for each district is accompanied by a chart which displays all applicable zoning controls either directly or by reference to other sections of the Code. A chart summarizing these controls and a summary description for each district is included in this notice.

Hearing Procedures

Master Plan Amendments

Requirements for the scope and content of the Master Plan and for amendments to it, are contained in Sections 3.524 and 3.525 of the City Charter. According to these requirements, any amendment must go through a formal adoption process.

For major Master Plan amendments, such as those involved in the proposed Neighborhood Commercial Rezoning, the first completed draft of the proposed amendments are usually presented to the Commission as a "Proposal for Citizen Review."

The "Proposal for Citizen Review" for Neighborhood Commercial was completed in May 1984. This proposal provided the basis for extensive meetings and discussions with citizen groups and individual residents. Based on this input, staff developed a February 1985 Proposal for Adoption. After conducting public hearings on this proposal, the Commission adopted the proposed master plan amendments as policy guidelines on an interim basis, effective March 28, 1985.

Before the revised amendments described in this notice can be adopted, they must go through an Environmental Review process and through a public hearing process. The procedures for the Environmental Review process are described elsewhere in this notice. The public hearing requirements for the amendments themselves are provided in the Charter.

For the official hearing, notice must be published at least 20 days prior to the hearing. The published notice briefly describes the subject of the proposed amendments and other information relevant to this subject.

After public testimony is completed, the staff prepares an analysis of the comments made and recommends appropriate changes to the proposed amendments. The amendments are adopted by a Resolution of the City Planning Commission.

City Planning Code

The procedures for amendments to the City Planning Code are prescribed by Sections 302 and 306 of the Code.

In the case of comprehensive amendments to the Code, such as these neighborhood commercial zoning proposals, it is

customary for the formal hearing process to be initiated by the City Planning Commission after staff studies. The initiation by the Commission is by means of a "resolution of intention" to consider the proposals made by the staff. The Commission's resolution sets into motion the process of hearings before the Commission and later the Board of Supervisors.

Notice of the Commission's hearings must be given by newspaper publication and, where map changes are involved, by mail to the owners of all real property affected by the changes.

After the hearings and any necessary modifications in the staff proposals, the Commission acts on the proposed Code amendments. The Commission's action is in the form of a recommendation for legislative action by the Board of Supervisors.

At the Board of Supervisors, hearings are held on the Commission's recommendation by the Planning, Housing and Development Committee of the Board. After these hearings the Committee reports the matter out to the full Board for its consideration. Two successive votes, or "readings", are required at the full Board for adoption of an ordinance.

The Board of Supervisors may modify a Commission recommendation before acting, but the Board may not act upon any material modification of the text of the Code until such a modification has been referred to the Commission for its consideration and approval or disapproval.

Adoption of Planning Code amendments is accomplished by the Board by a majority vote, except in the case of map amendments that were disapproved by the Commission, where a vote of two-thirds of all members of the Board is required for adoption.

Ordinances adopted by the Board are sent to the Mayor for signature. If they are signed by the Mayor, they become effective 30 days later.

California Environmental Quality Act—CEQA

Because the proposal described in this notice involves amendments to the Master Plan and a rezoning, it is required to

undergo environmental review, pursuant to State and local law. As described earlier, the proposal will be implemented in a two-phase adoption process. The phase-one proposal will have a "sunset clause" which means that it will expire on a date certain by which time the phase-two process has been completed and put into effect. The first phase is evaluated in a Negative Declaration.

The phase-two controls will not have a "sunset clause" and therefore will become permanent after approval. An Environmental Impact Report will be prepared for this phase.

Publication of the environmental evaluations occurs after after the Planning Commission has separately adopted "resolutions of intention" to hold a public hearing to consider proposals. The evaluations must be finalized before the Planning Commission takes action on the proposals.

Procedures for public notice of the EIR and Negative Declaration for the two proposals require that notice be given in a newspaper of general circulation and to all organizations and individuals who have previously requested such notice. In addition, notice is posted in the Department offices, and mailed to the Board of Supervisors and Planning Commission.

There are separate hearing procedures for Negative Declarations and EIRs which are described below.

Negative Declaration

A Negative Declaration is an evaluation of a potential environmental effects of a project which concludes that the project could have no significant negative environmental effects or that any such effects can be mitigated by prescribed measures.

Within 10 days of the publication date of a Preliminary Negative Declaration, public recommendations for amendment of the text, or any appeal of the determination to the City Planning Commission will be accepted. Any appeals must be based on environmental grounds and accompanied by a filing fee of \$50.00, made out to the Department of City Planning. The negative declaration appeal period will run from December 19, 1986, to December 29, 1986, 5:00 p.m. In the absence of an appeal, the

Negative Declaration shall be made final, subject to any modifications.

If a valid appeal is received within the 10-day period, a public hearing would be scheduled for January 29, 1987, before the Planning Commission, which would decide whether to uphold the Negative Declaration (with or without modifications), or overturn the Negative Declaration, thus requiring an EIR.

If no appeal is filed, or the Planning Commission takes action to uphold an appealed Negative Declaration, the Commission may then take action on the proposed controls with the "sunset clause". Subsequently, the Board of Supervisors must adopt the Negative Declaration in a public hearing before taking action on the controls.

Environmental Impact Report

An Environmental Impact Report evaluates the potential significant adverse environmental effects of a project. It also may identify mitigation measures to reduce or eliminate significant impacts if any. In addition, an EIR evaluates alternatives to the project.

The hearing procedures for EIRs require a longer public review period of at least 30 days following the date of publication of the Draft EIR. Comments on physical environmental issues related to the proposal will be accepted by the Department in writing or oral testimony at a public hearing before the City Planning Commission on January 29, 1987. Written comments may also be accepted after the Draft EIR public hearing; the specific dates for the comment period will be disclosed at the time the Draft EIR is published.

The Department will prepare responses to comments and make any revisions as necessary to the EIR. The draft EIR, plus the comments, responses, and revisions will constitute the Final EIR which must be certified by the Planning Commission.

After the Planning Commission has taken action on the Final EIR and the proposed permanent controls, the Board of Supervisors must consider the Final EIR in a public hearing before taking action on the proposals.

For further information on the environmental review process as it relates to the Neighborhood Commercial Rezoning, contact Paul Deutsch at 558-5263.

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Union Street Neighborhood Commercial District

The Union Street district is located in northern San Francisco and lies along Union Street between Van Ness Avenue and Steiner and along Fillmore between Union and Lombard. It provides a limited range of convenience goods for the surrounding residential neighborhoods, but primarily serves as a specialty shopping area, catering to a much broader trade area. It also has a significant number of professional, realty, and business offices. The proposed controls are designed to maintain the existing small scale and mixed-use character of the area without discouraging the high intensity commercial activity that takes currently place. Additional eating and drinking establishments are prohibited, and limitations are placed on ground-story entertainment and financial service uses in order to preserve the remaining convenience business and to limit adverse impacts on neighborhood residents.

Valencia Street Neighborhood Commercial District

The Valencia Street district, located near the center of San Francisco in the mission District, lies along Valencia Street between 14th and Army Streets. The commercial area provides a limited number of retail goods for the immediately surrounding neighborhoods, and in addition serves as a center for retail and wholesale home furnishings and appliance outlets. It also has several automobile-related businesses and light manufacturing operations. Controls are designed to permit moderate-scale buildings and uses and encourage growth in neighborhood-serving retail outlets at the ground story and housing at upper stories.

24th Street-Mission Neighborhood Commercial District

The 24th Street-Mission commercial area is located in the Inner Mission district on 24th Street between Bartlett Street and San Bruno Avenue. It is a multi-purpose commercial area that provides convenience goods to its immediate neighborhood and comparison shopping goods and services to a wider trade area. These comparison shopping outlets include a large number of Latin American restaurants, grocery stores, and bakeries as well as gift shops and second hand stores. The proposed controls are designed to provide potential for new development consistent with existing scale and character. New bars and fast-food

restaurants are prohibited and limitations are placed on full-service and take-out restaurants and entertainment uses, in order to support the existing mix of retail activity and protect adjacent residential livability.

24th Street-Noe Valley Neighborhood Commercial District

The 24th Street-Noe Valley commercial district is located along 24th Street between Chattanooga and Diamond in the Noe Valley neighborhood of central San Francisco. It is a daytime-oriented multi-purpose commercial district providing a mixture of convenience and comparison shopping goods and services to a predominantly local market area. The proposed controls are designed to allow for development that is compatible with the existing small-scale, mixed-use character of the area. Rear yard open space corridors are protected at all levels. Additional eating and drinking establishments are prohibited, and limitations are placed on ground-story entertainment and financial service uses in order to maintain the day-time retail orientation of the district and promote compatibility with adjacent and surrounding residential uses. Housing development in new buildings is encouraged above the ground story. Existing housing units are protected by prohibitions on upper-story conversions and limitations on demolitions.

West Portal Avenue Neighborhood Commercial District

The West Portal Avenue commercial district, located in the southwestern section of the city, stretches for three long blocks along West Portal Avenue from Ulloa Street to 15th Avenues and extends one block east along Ulloa Street. It provides a selection of goods and services for customers coming mainly from the single-family residential neighborhoods west of Twin Peaks and in the Sunset. Except for one movie theater, it offers no entertainment uses. Its restaurants are mainly family-oriented. The proposed controls are designed to preserve the existing family-oriented, village character of West Portal Avenue. Building standards limit building heights to 26 feet and two stories and maintain the existing pattern of rear yards at the ground level and above. A number of retail uses are prohibited, including financial services, entertainment uses, fast-food restaurants, hotel, and most auto-related establishments. Existing housing units are protected by limitations on demolitions and upper-story conversions.

Consistency of Proposed Controls With Priority Policies of Proposition M

Proposition M, the Accountable Planning Initiative approved by a majority of San Francisco voters on November 4, 1986, establishes the following Policy Priorities for inclusion in the preamble to the Master Plan and as a basis upon which inconsistencies in the Master Plan are to be resolved:

- That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;
- That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;
- That the City's supply of affordable housing be preserved and enhanced;
- That commuter traffic not impede Muni transit service or overburden our streets or neighborhood parking;
- That a diverse economic base be maintained by protecting our industrial and service sectors from displacement

due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;

- That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;
- That landmarks and historic buildings be preserved; and,
- That our parks and open space and their access to sunlight and vistas be protected from development.

The proposition calls for a amendment of the Master Plan. It further states that the City may not adopt any zoning ordinance or development agreement after November 4, 1986, unless prior to that adoption it has specifically found that the ordinance or development agreement is consistent with the above Priority Policies.

The City Planning Commission will consider public testimony on this subject at the public hearing commencing on January 29, 1987.

Time, Places, and Purposes of Public Hearings of The City Planning Commission

Time of Hearing	Place of Hearing	Purposes of Hearing
Thursday January 29, 1987 2 p.m.	City Hall Board of Supervisors Chambers	Consideration of Preliminary Negative Declaration regarding Controls with Sunset Clause; Consideration of Controls with Sunset Clause; Consideration of Draft EIR on Permanent Controls; Consideration of Permanent Controls including Master Plan Amendments, Planning Code Text Amendments and Zoning Map Amendments; Consideration of Economic Impact Assessment.
May 1987	Time and Place To Be Announced	Consideration of Final Environmental Impact Report; Consideration of Master Plan Amendments, Planning Code Text Amendments, and Zoning Map Amendments.
NOTE:		Additional hearing dates will be scheduled as necessary. They will be announced 10 days in advance in the Public Notice Section of the Friday edition of the San Francisco Progress and in the CPC Calendar.

Supporting Documents

The neighborhood commercial rezoning proposal includes supporting documents to assist the public in reviewing the proposed permanent rezoning.

Economic Impact Assessment

This document presents analyses of the potential impact of the proposed rezoning on the economic climate and business conditions in the neighborhood commercial districts. Commercial activity permitted under the proposed controls is generally of a smaller scale and lesser intensity than that permitted under the existing controls. There is concern among the business community that the proposed controls not be overly restrictive so as to dampen economic vitality in the neighborhood commercial districts. This report addresses that concern. It covers the same 20 proposed Neighborhood Commercial Districts, and uses the same physical development projections, as the Draft EIR. In addition, it utilizes the results of in-depth interviews with over 80 merchants, realtors, commercial property owners, and residents from the 20 NC districts under study. For each district a determination is made as to whether or not the proposed controls will have adverse economic impacts and if so, what offsetting conditions might be. The report also provides findings on potential cumulative economic impacts at a citywide level.

Draft Environmental Impact Report

The Draft Environmental Impact Report (EIR) provides an analysis of potential environmental impacts under the proposed rezoning. Such analyses are required as a part of state and local law. Certification of the EIR by the City Planning Commission is required prior to adoption of the proposed permanent controls.

The report provides environmental assessments of 20 proposed Neighborhood Commercial (NC) Districts: the 16 individual NC districts and one representative example of each of the 4 general NC districts. The assessments are based on physical development projections estimating how much commercial and residential growth could occur in each of these 20 NC study districts over the next 10 years with and without the proposed zoning changes. From these estimates, a determination is made of those potential environmental impacts that could be attributed to the proposed zoning. Environmental impacts examined in the report include: land use intensity, transportation, and air quality. The report also makes an assessment of cumulative environmental impacts at the citywide level.

Other Documents

A comparison of the proposed permanent and current interim controls is available in a brief summary memo and a fully detailed report. These documents and background studies described elsewhere in this notice are available for review at the Department of City Planning and the Main Library Government Documents Section.

Where You Can Review This Proposal

Copies of the Neighborhood Commercial Proposal for Adoption (November 1986) and its supporting documents including the Draft Environmental Impact Report (December 1986); the Economic Impact Assessment (December 1986), and A Comparison of the Proposed Permanent and Current Interim Neighborhood Commercial Controls (November 1986) will be available for public review at the Department of City Planning and at the San Francisco Main Library and each of its branches on December 19, 1986.

The Neighborhood Commercial Proposal for Adoption, and a limited number of copies of the Draft EIR, and Economic Impact Assessment report will be for sale at cost of reproduction at the Department of City Planning, 450 McAllister, Room 405, San Francisco, CA 94102.

Following are the addresses, telephone numbers, and operating hours at the Main Library and the branch libraries at which the documents will be available.

Main Library

Documents Div.	M,F,Sa	10-6	Noe Valley	Tu	10-12,1-6
Larkin and McAllister	Tu,W,Th	10-9	451 Jersey Street	W	1-9
558-3321	Su	1-5	285-2788	Th,F,Sa	1-6

Branches

Anza	Tu,Sa	10-6	North Beach	M,Tu,Th	10-6
550-37th Avenue	W	1-9	2000 Mason Street	W	1-9
752-1960	Th,F	1-6	391-9473	F	1-6

Business

Bernal	M,Th,F	1-6	Ortega	Tu,Th,Sa	10-6
500 Cortland Avenue	Tu	10-12,1-6	3223 Ortega Street	W	1-9
285-1744	W	1-9	681-1848	F	1-6

Chinatown

1135 Powell	M,Sa	10-6	Parkside	M,Tu,Th	10-6
989-6770	Tu,W	10-9	1200 Taraval Street	W	1-9
	F	1-6	566-4647	F	1-6
	Su	1-5			

Eureka Valley-Harvey Milk

3555-16th Street	M,Tu	10-6	Portola	M-Th	12-5
626-1132	W	1-9	2434 San Bruno Avenue	Tu	10-12,1-6
	Th,F	1-6	468-2232	W	1-9

Excelsior

4400 Mission Street	M,Sa	10-6	Potrero	Tu	10-12,1-6
586-4075	Tu,W	10-9	1616-20th Street	W	1-9
	Th	1-9	285-3022	Th-Sa	1-6
	F	1-6			
	Su	1-5			

Glen Park

653 Chenery Street	M,Th,F	1-6	Richmond	M,Sa	10-6
586-4144	Tu	10-12,1-6	351-9th Avenue	Tu,W	10-9
	W	1-9	752-1240	Th	1-9

Golden Gate Valley

1801 Green Street	M,Tu	10-6	Sunset	M,Sa	10-6
346-9273	W	1-9	1305-18th Avenue	Tu,W	10-9
	Th,F	1-6	566-4552	Th	1-9

Inglewood

387 Ashton Avenue	Tu-F	1-6	F	M,Sa	1-6
586-4156			Su	Tu,W	1-5

Library on Wheels

558-2736			Visitation Valley	M-W,F	1-6
			45 Leland Avenue		
			239-5270		